

## **EXHIBIT 1**

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
SHERMAN DIVISION**

**YOUNG CONSERVATIVES OF TEXAS  
FOUNDATION**

***Plaintiff,***

**V.**

**THE UNIVERSITY OF NORTH TEXAS,  
THE UNIVERSITY OF NORTH TEXAS  
SYSTEM, NEAL SMATRESK,  
PRESIDENT OF THE UNIVERSITY OF  
NORTH TEXAS and SHANNON  
GOODMAN, VICE PRESIDENT FOR  
ENROLLMENT OF THE UNIVERSITY  
OF NORTH TEXAS,**

***Defendants.***



**CIVIL ACTION NO. 4:20-cv-00973**

## DECLARATION OF CHRISTOPHER W. FOSTER

My name is Christopher W. Foster. I have never been convicted of a felony or a crime of moral turpitude. I am in all ways competent to make this declaration. Pursuant to 28 U.S.C. § 1746, I declare as follows:

1. I am the Assistant Vice President for Student Accounting at the University of North Texas (UNT). I have been employed at UNT since 2008 and have served as Assistant Vice President for Student Accounting since 2021. As the Assistant Vice President for Student Accounting, I am responsible for university student accounting services, including the assessment and collection of tuition and fees, student and organization billing, payment processing, waivers/exemptions, and management of student accounts.

2. The facts set forth in this declaration are drawn from information I have received or compiled myself in my work as Assistant Vice President for Student Accounting. Through my role, I am familiar with UNT's in-state and out-of-state tuition billing processes.

3. Each year, the Texas Higher Education Coordinating Board (THECB) disseminates a memo to all institutions of higher education and health-related institutions establishing the tuition rate for nonresident and foreign students for the next academic year. For the academic year 2022-2023, the THECB set the rate at \$458 per semester credit hour. A true and correct copy of the Memorandum from the THECB dated November 17, 2021 related to the tuition rate for nonresident and foreign students for academic year 2022-2023 is attached to this declaration as Attachment A.

4. Based on the court's injunction, UNT modified the tuition billing processes for nonresident U.S. citizens enrolled for Summer 2022 terms. The summer 2022 bills that were delivered to nonresident U.S. students the week of May 5, 2022 reflect an effective tuition rate of \$50 per semester credit hour.

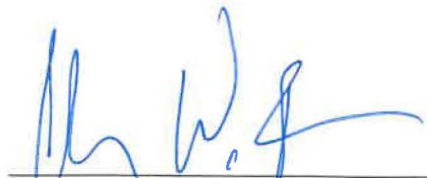
5. As of May 10, 2022, the total amount of nonresident tuition per semester credit hour that UNT would have charged to nonresident U.S. students is approximately \$861,858. The amount charged to these students per the court's injunction is approximately \$115,512. The difference in the total tuition charged to U.S. nonresident students for summer 2022 billing and what UNT would have charged before the injunction is approximately \$746,346.

6. UNT originally assessed summer 2022 tuition and fee charges to students the week of March 28, 2022, with the intent to distribute bills to students the week of April 4, 2022. In light of the court's injunction, UNT immediately halted additional tuition assessments and reversed all tuition and fee charges for summer 2022. In order to comply with the injunction, the

Student Accounting department dedicated three full-time employees, who spent forty (40) hours per week for more than three weeks modifying the billing infrastructure. This modified billing structure will require an additional forty hours of employee time weekly to maintain compliance with the court's injunction and tracking revenue for state budget reporting processes.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 11 day of May 2022.

  
\_\_\_\_\_  
Christopher W. Foster

## **Attachment A**



# TEXAS HIGHER EDUCATION COORDINATING BOARD

P.O. Box 12788 Austin, Texas 78711

## Memorandum

November 17, 2021

Fred Farias III, O.D.  
CHAIR

Donna N. Williams  
VICE CHAIR

Vacant  
SECRETARY OF THE BOARD

Matthew B. Smith  
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Harrison Keller, Ph.D.  
COMMISSIONER  
OF HIGHER EDUCATION

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Fax (512) 427-6127

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To: Presidents & Chancellors - Public Universities, Health-Related  
Institutions, and State Colleges

From: Harrison Keller, Ph.D. 

Subject: Tuition Rate for Nonresident and Foreign Students  
for Academic Year 2022-2023

As directed by Section 54.051(d) of the Texas Education Code, Coordinating Board staff has determined that the tuition rate for nonresident students enrolled in public universities and health-related institutions for the academic year 2022-2023 will be set at **\$458 per semester credit hour plus any designated tuition and, when appropriate, Board-authorized graduate tuition charged by your institution.** Exceptions include tuition rates for nonresident students enrolled in medicine, veterinary medicine, dentistry, and law. The tuition rates for those students are provided in other paragraphs of Section 54.051 of the Texas Education Code.

The nonresident tuition set-aside for the Texas Public Educational Grant Program (TPEG) is three percent of the basic nonresident tuition rate of **\$458** per hour. TPEG set-asides are not subtracted from designated tuition or Board-authorized tuition.

A description of the nonresident tuition rate calculation and a copy of the relevant statute are attached. If you would like more information about the figures, please contact Victor Reyna at 512-427-6286 or by e-mail at [Victor.Reyna@highered.texas.gov](mailto:Victor.Reyna@highered.texas.gov).

## Attachments

- c: Chief Financial Officers-Public Universities, Health-Related Institutions,  
and State Colleges  
Liaisons-Universities and HRIs

DAI/kp/bb

**Texas Higher Education Coordinating Board  
Calculation of Nonresident Tuition Rates for AY 2022-2023**

Section 54.051 (d) of the Texas Education Code requires that nonresident student tuition equal the average tuition charged to a Texas resident attending a public university in each of the five most populous states of the United States. The Coordinating Board staff utilizes the latest tuition and fee data available from the Integrated Postsecondary Education Data System (IPEDS). This amount is adjusted using the Consumer Price Index (CPI or inflation rate) to compensate for not having current fiscal year averages.

Estimated below is the most recently reported average nonresident tuition and fee figures for 30 semester credit hours (SCH) for the 2020-2021 academic year for the five most populous states other than Texas, and then adjusted based on the most recent CPI:

California	\$27,725
Florida	\$22,728
Illinois	\$19,869
New York	\$19,508
Pennsylvania	\$21,485
Total	\$111,315
<b>Average</b>	<b>\$22,263</b>

Data Sources: The Integrated Postsecondary Education Data System (IPEDS - 2020 to 2021, The Bureau of Labor Statistics of the U.S. Department of Labor (BLS), Integrated Fiscal Reporting System (IFRS) - fall 2020

The base nonresident tuition for Texas was calculated as follows:

- Average tuition and fees for the five most populous states \$22,263
- Less:
  - Average TX mandatory fees for 30 SCH -\$2,961
  - Average TX designated tuition for 30 SCH -\$5,558
- Average nonresident tuition, less fees \$13,744
- Base Texas nonresident tuition per credit hour (\$13,744/30 SCH) \$ 458

Each institution should add designated tuition to the base nonresident tuition, and when appropriate, Board-authorized graduate tuition in order to compute total nonresident tuition.

Nonresident tuition = \$458 per SCH + (Designated Tuition)  
+ (Board-authorized Graduate Tuition)

Section 54.051(d) of the Texas Education Code provides:

Unless a different rate is specified by this section, tuition for a nonresident student at a general academic teaching institution or medical and dental unit is an amount per semester credit hour equal to the average of the nonresident undergraduate tuition charged to a resident of this state at a public state university in each of the five most populous states other than this state, as computed by the coordinating board under this section. The coordinating board shall set the tuition rate provided by this subsection for each academic year and report that rate to each appropriate institution not later than January 1 of the calendar year in which the academic year begins, or as soon after the January 1 date as practicable. In computing the tuition rate, the coordinating board shall use the nonresident tuition rates for the other states in effect for the academic year in progress when the board makes the computation.



## **EXHIBIT 2**



3. UNT utilizes the Apply Texas Application, the State's admission application process administered by the Coordinating Board, and the CommonApp for admissions purposes. Both applications utilize the Core Residency Questions promulgated by the Coordinating Board.

4. Students are required to answer the Core Residency Questions as part of the admissions process, a true and correct copy of which is attached to this declaration as Attachment A.

5. Students may be required to submit documentation regarding a person's responses to the Core Residency Questions. A true and correct copy of Documentation to Support Establishing and Maintaining Domicile in Texas is attached to this declaration as Attachment B.

6. There are multiple ways for a student to qualify for resident tuition.

7. A United States citizen or national is eligible to qualify for resident tuition in the same or lesser manner as a non-US citizen or Permanent Resident.

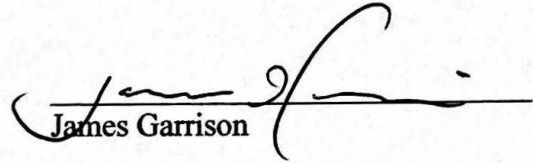
8. A student who is not a U.S. citizen or Permanent Resident, in addition to satisfying all other residency requirements applicable to U.S. citizens or Permanent Residents, must file a signed affidavit stating that the student will apply to become a Permanent Resident of the U.S. as soon as eligible ("Permanent Resident Affidavit") in order to receive resident tuition. A true and correct copy of the Permanent Resident Affidavit is attached to this declaration as Attachment C.

9. Non-Texas students have no additional affidavit requirements for satisfying residency.

10. UNT currently enrolls more than 6,000 students who pay nonresident tuition. An injunction stopping UNT from charging those students nonresident tuition would result in a loss of approximately \$25,000,000 dollars per semester.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 18 day of January 2022.

  
James Garrison

## **EXHIBIT 3**



**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
SHERMAN DIVISION**

**YOUNG CONSERVATIVES OF TEXAS  
FOUNDATION**

*Plaintiff,*

**V.**

**THE UNIVERSITY OF NORTH TEXAS,  
THE UNIVERSITY OF NORTH TEXAS  
SYSTEM, NEAL SMATRESK,  
PRESIDENT OF THE UNIVERSITY OF  
NORTH TEXAS and SHANNON  
GOODMAN, VICE PRESIDENT FOR  
ENROLLMENT OF THE UNIVERSITY  
OF NORTH TEXAS,**

***Defendants.***



**CIVIL ACTION NO. 4:20-cv-00973**

## DECLARATION OF CLAYTON GIBSON

My name is Clayton Gibson. I have never been convicted of a felony or a crime of moral turpitude. I am in all ways competent to make this declaration. Pursuant to 28 U.S.C. § 1746, I declare as follows:

1. I am the Vice President for Finance and Administration and CFO at the University of North Texas (UNT). I have served in this role since 2021. As the CFO for UNT, I am responsible for financial operational matters across UNT, including financial reporting, managing the revenues and expenses, and maintaining the overall financial stability.

2. The facts set forth in this declaration are drawn from information I have received or compiled myself in my work as Vice President for Finance and Administration and CFO. Through my role, I am familiar with UNT's annual budget.

3. Based on the injunction, out-of-state U.S. citizens will now pay a \$50 statutory tuition rate per semester credit hour versus the \$458 non-resident per semester credit hour rate set by the Texas Higher Education Coordinating Board.

4. Because UNT is barred from collecting nonresident tuition from U.S. citizens, UNT has calculated revenue losses of approximately \$5.7 million in the next academic year.

5. Based on UNT's annual budget forecast dated August 12, 2021, UNT's operating budget for FY 2022 reflected a net surplus of approximately \$2.9 million. A true and correct copy of FY 2022 – University of North Texas Budget Summary – Current Funds is attached to this declaration as Attachment A.

6. A \$5 million reduction in nonresident tuition revenue would take UNT from a \$2.9 million surplus to a \$2.8 million deficit.

7. The substantial deficit will require the University to make adjustments in order to function and deliver its educational services under a suddenly altered budget. Possible changes include reduction to institutional aid awards, freeze salaries and eliminate salary adjustments in an inflationary market, increasing the size of classes, less employee incentives; decreased employee morale, and increased employee turnover and training costs.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 11<sup>th</sup> day of May 2022.



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Clayton Gibson

## **Attachment A**





## FY 2022 – University of North Texas

### Budget Summary – Current Funds

	FY 2021 Budget	FY 2021 Forecast	FY 2022 Budget	Increases (Decreases) FY 2021 to FY 2022 Budget	
				Amount	Percent
<b>Revenues</b>					
Net Tuition and Fees	327,461,123	348,557,686	364,606,100	37,144,977	11.3%
Sales of Goods and Services	97,487,241	72,053,677	95,423,967	(2,063,274)	-2.1%
Grants and Contracts	118,438,511	154,155,620	167,297,018	48,858,507	41.3%
State Appropriations	141,495,106	142,788,578	155,421,531	13,926,425	9.8%
Capital Appropriations	37,346,563	37,346,563	37,346,563	-	-
Net Professional Fees	-	-	-	-	-
Gift Income	10,685,000	13,285,889	13,857,512	3,172,512	29.7%
Investment Income	6,121,850	6,121,850	3,894,500	(2,227,350)	-36.4%
Other Revenue	986,873	1,989,104	681,985	(304,888)	-30.9%
<b>Total Revenues</b>	<b>740,022,266</b>	<b>776,298,966</b>	<b>838,529,176</b>	<b>98,506,910</b>	<b>13.3%</b>
<b>Expenses</b>					
Salaries - Faculty	149,214,551	150,856,737	163,124,661	13,910,110	9.3%
Salaries - Staff	149,456,106	149,103,852	155,976,587	6,520,481	4.4%
Wages and Other Compensation	19,579,179	19,467,397	27,339,084	7,759,905	39.6%
Benefits and Other Payroll-Related Costs	84,487,044	83,621,235	88,599,584	4,112,540	4.9%
Professional Fees and Services	17,253,270	18,979,045	18,594,188	1,340,918	7.8%
Travel	3,843,317	2,823,287	4,094,708	251,391	6.5%
Materials and Supplies	27,537,025	23,721,944	30,583,958	3,046,933	11.1%
Communication and Utilities	15,463,307	17,283,323	15,870,781	407,474	2.6%
Repairs and Maintenance	13,726,835	14,110,183	13,622,036	(104,799)	-0.8%
Rentals and Leases	9,905,674	8,440,618	8,413,603	(1,492,071)	-15.1%
Printing and Reproduction	4,351,579	3,871,751	3,570,064	(781,515)	-18.0%
Capital Expenditures	12,885,112	14,467,746	24,180,991	11,295,879	87.7%
Scholarships	92,715,059	114,521,189	121,274,338	28,559,279	30.8%
Cost of Goods Sold	8,752,531	6,025,810	9,693,441	940,910	10.8%
Debt Service - Principal	-	-	-	-	-
Debt Service - Interest	-	-	-	-	-
Federal and State Pass-Through Expense	1,035,742	282,112	2,482,633	1,446,891	139.7%
Other Expenditures	17,065,475	15,809,385	31,446,734	14,381,259	84.3%
<b>Total Expenses</b>	<b>627,271,806</b>	<b>643,385,613</b>	<b>718,867,391</b>	<b>91,595,585</b>	<b>14.6%</b>
<b>Transfers</b>					
<b>Intra-campus Transfers Between Funds</b>					
Debt Service Transfer In/(Out)	-	(35,806,278)	(38,642,934)	(38,642,934)	-
Inter-Fund Transfer In/(Out)	(20,403,000)	(27,440,533)	(26,870,000)	(6,467,000)	31.7%
<b>Transfers Between UNTS Components</b>					
System Services Allocations	(39,827,639)	(39,827,639)	(42,535,578)	(2,707,939)	6.8%
Other Inter-Unit Transfers In/(Out)	(37,186,387)	(1,380,109)	(343,049)	36,843,338	-99.1%
<b>Other Transfers</b>					
Transfer to Other State Agencies In/(Out)	600,000	580,189	580,189	(19,811)	-3.3%
Legislative Transfers In/(Out)	(11,459,538)	(18,861,180)	(8,910,243)	2,549,295	-22.2%
<b>Total Transfers</b>	<b>(108,276,564)</b>	<b>(122,735,550)</b>	<b>(116,721,615)</b>	<b>(8,445,051)</b>	<b>7.8%</b>
<b>Estimated Impact on Fund Balance</b>	<b>4,473,896</b>	<b>10,177,803</b>	<b>2,940,170</b>	<b>(1,533,726)</b>	<b>-34.3%</b>

## **EXHIBIT 4**

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
SHERMAN DIVISION**

**YOUNG CONSERVATIVES OF TEXAS  
FOUNDATION**

*Plaintiff,*

**V.**

**THE UNIVERSITY OF NORTH TEXAS,  
THE UNIVERSITY OF NORTH TEXAS  
SYSTEM, NEAL SMATRESK,  
PRESIDENT OF THE UNIVERSITY OF  
NORTH TEXAS and SHANNON  
GOODMAN, VICE PRESIDENT FOR  
ENROLLMENT OF THE UNIVERSITY  
OF NORTH TEXAS,**

***Defendants.***



**CIVIL ACTION NO. 4:20-cv-00973**

## DECLARATION OF KATHERINE McDANIEL

My name is Katherine McDaniel. I have never been convicted of a felony or a crime of moral turpitude. I am in all ways competent to make this declaration. Pursuant to 28 U.S.C. § 1746, I declare as follows:

1. I am the Assistant Vice Chancellor and Chief Human Resources Officer at the University of North Texas (UNT). I have served in this position since September 6, 2018. Employee records for all employees of the UNT are maintained in the Human Resources department, and in my capacity as Chief Human Resources Officer, I have access to these personnel files, including total counts and classification of employees.

2. The facts set forth in this declaration are drawn from information I have received or compiled myself in my work as Chief Human Resources Officer.

3. Based on my review of these personnel records on May 10, 2022, UNT employs a total of 1274 professors and research professionals, 103 administrators, and 9,226 other university staff for a total of approximately 10,603 employees.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 11th day of May 2022.

  
\_\_\_\_\_  
Katherine McDaniel

## **EXHIBIT 5**

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
SHERMAN DIVISION**

**YOUNG CONSERVATIVES OF TEXAS  
FOUNDATION**

***Plaintiff,***

**V.**

**THE UNIVERSITY OF NORTH TEXAS,  
THE UNIVERSITY OF NORTH TEXAS  
SYSTEM, NEAL SMATRESK,  
PRESIDENT OF THE UNIVERSITY OF  
NORTH TEXAS and SHANNON  
GOODMAN, VICE PRESIDENT FOR  
ENROLLMENT OF THE UNIVERSITY  
OF NORTH TEXAS,**

***Defendants.***



**CIVIL ACTION NO. 4:20-cv-00973**

## DECLARATION OF BETH TOLAN

My name is Marian Beth Tolan. I have never been convicted of a felony or a crime of moral turpitude. I am in all ways competent to make this declaration. Pursuant to 28 U.S.C. § 1746, I declare as follows:

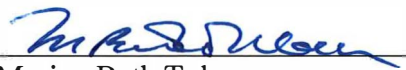
1. I am the Assistant Vice President for the Financial Aid and Scholarships Office at the University of North Texas (UNT). I have served in this position since July 1, 2021. As the Assistant Vice President for the Financial Aid and Scholarships Office, I am responsible for managing financial aid programs and scholarships.

2. The facts set forth in this declaration are drawn from information I have received or compiled myself in my work as Assistant Vice President for the Financial Aid and Scholarships Office. Through my role, I am familiar with student cost of attendance.

3. Based on my review of the injunction and current cost of attendance information, UNT's Financial Aid and Scholarships Office must implement changes necessary to be in compliance with the injunction, including the creation of a new cost of attendance table for nonresident U.S. citizens and the implementation of additional quality controls to manage compliance with federal aid requirements, which will require an estimated additional 1,000 hours of work.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 13th day of May 2022.

  
Marian Beth Tolan